

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:)	Chapter 11
)	
LIFE FUND 5.1, LLC, <i>et al.</i> , ¹)	Case No. 09 B 32672
)	
Debtors.)	Jointly Administered

**ORDER CONFIRMING CHAPTER 11 TRUSTEE’S SECOND AMENDED PLAN
OF CONSOLIDATION AND LIQUIDATION FILED OCTOBER 14, 2011**

Jeff Marwil, not individually, but solely as the elected chapter 11 trustee to the above-captioned debtors, having filed with the Bankruptcy Court (I) the Chapter 11 Trustee’s Second Amended Plan of Consolidation and Liquidation [Docket No. 820] (in the form attached hereto as Exhibit A, the “Plan”)² and (II) the Disclosure Statement for the Chapter 11 Trustee’s Second Amended Plan of Consolidation and Liquidation; [Docket No. 821] (including all appendices and exhibits attached thereto, the “Disclosure Statement”); the Bankruptcy Court having held a series of hearings concluding on October 14, 2011 to determine the adequacy of the Disclosure Statement; the Bankruptcy Court having entered an order dated October 14, 2011 [Docket No. 827] (the “Approval Order”) (1) approving the Disclosure Statement, (2) approving solicitation packages and procedures for distribution thereof, (3) approving a form of ballots and establishing voting procedures, (4) scheduling the Confirmation Hearing, and (5) establishing procedures for filing and prosecuting objections to the Plan and confirmation of the Plan; and the Bankruptcy Court having held the Confirmation Hearing on December 7, 2011; and after full consideration of: (a) the memorandum in support of confirmation of the Plan filed on December 2, 2011

¹ The Debtors in the cases are: (1) Life Fund 5.1, LLC; (2) Life Fund 5.2, LLC; (3) A&O Life Fund, LLC; (4) A&O Resource Management, Ltd.; (5) A&O Bonded Life Settlements, LLC; (6) A&O Bonded Life Assets, LLC; and (7) Houston Tanglewood Partners, LLC.

² Each capitalized term used but not otherwise defined herein shall have the meaning ascribed thereto in the Plan.

[Docket No. ____], (b) the declaration of Jeff Marwil in support of the Plan filed with the Bankruptcy Court [Docket No. ____] (the “Marwil Declaration”), (c) the Declaration of Jeffrey S. Stein of the Garden City Group, Inc. Certifying the Methodology for the Tabulation of Votes on and Results of Voting With Respect to the Chapter 11 Trustee’s Second Amended Plan of Consolidation and Liquidation [Docket No. 856] (the “Voting Agent Declaration”); and (d) all other evidence proffered or adduced, memoranda and objections filed in connection with, and arguments of counsel made at, the Confirmation Hearing; and after due deliberation and sufficient cause appearing therefor,

THE BANKRUPTCY COURT HEREBY DETERMINES, FINDS, ADJUDGES, DECREES AND ORDERS THAT:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

A. Exclusive Jurisdiction; Venue; Core Proceeding (28 U.S.C. §§ 157(b)(2), 1334(a)). The Bankruptcy Court has jurisdiction over these chapter 11 cases pursuant to sections 157 and 1334 of title 28 of the United States Code. Venue of these chapter 11 cases in this district is proper pursuant to sections 1408 and 1409 of title 28 of the United States Code. Confirmation of the Plan is a core proceeding pursuant to section 157(b)(2)(L) of title 28 of the United States Code, and the Bankruptcy Court has exclusive jurisdiction to determine whether the Plan complies with the applicable provisions of the Bankruptcy Code and should be confirmed.

B. Commencement and Joint Administration of the Chapter 11 Cases. On the Petition Date, a case under chapter 11 of the Bankruptcy Code was commenced by or on behalf of each Debtor in the Bankruptcy Court. By prior order of the Bankruptcy Court, these chapter 11 cases have been consolidated for procedural purposes only and are being jointly administered pursuant to Bankruptcy Rule 1015.

C. Election of Chapter 11 Trustee. On September 16, 2009, the Bankruptcy Court granted a motion of the office of the United States Trustee requesting appointment of a chapter 11 trustee under section 1104(a) of the Bankruptcy Code. On September 21, 2009, the Bankruptcy Court approved the appointment of Patrick Collins as Chapter 11 Trustee. On March 8, 2010, after Jeff Marwil was elected Chapter 11 Trustee by creditors of the Debtors, the Bankruptcy Court entered an order certifying Mr. Marwil's election as Chapter 11 Trustee.

D. Judicial Notice. The Bankruptcy Court takes judicial notice of: (1) the docket of these chapter 11 cases maintained by the Clerk of the Court, including, without limitation, all pleadings and other documents filed and orders entered thereon; (2) all evidence proffered or adduced and all arguments made at the hearings held before the Bankruptcy Court during the pendency of these chapter 11 cases; and (3) the criminal cases and convictions of the following individuals that served as principals, professionals, and/or employees of the Debtors prior to the Petition Date, including, without limitation, all pleadings and other documents filed and orders entered thereon:

- a. **David White**, Case No. 3:11 cr 248 (E.D. Va.) (Indictment at Docket No. 3, Superseding Indictment at Docket No. 140, Plea Agreement at Docket No. 155, Statement of Facts in Support of Plea Agreement at Docket No. 156, Report and Recommendations of Magistrate Judge at Docket No. 158, Judgment at Docket Report 297);
- b. **Russell Mackert**, Case No. 3:10 cr 257 (E.D. Va.) (Indictment at Docket No. 1, Plea Agreement at Docket No. 2, Statement of Facts in support of Plea Agreement at Docket No. 16, Restitution Order at Docket No. 40, Judgment at Docket No. 41, Second Amended Order of Forfeiture at Docket No. 43);

- c. **Christian Allmendinger**, Case No. 3:10 cr 248 (E.D. Va.) (Indictment at Docket No. 3, Superseding Indictment at Docket No. 140, Memorandum Opinion regarding motions to dismiss and strike allegations in the indictment at Docket No. 180, Jury Verdict at Docket No. 207, Preliminary Order of Forfeiture at Docket No. 359, Restitution Order at Docket No. 381, Judgment at Docket No. 384);
 - d. **Brent Oncale**, Case No. 3:10 cr 256 (E.D. Va.) (Indictment at Docket No. 1, Plea Agreement at Docket No. 4, Statement of Facts in support of Plea Agreement at Docket No. 5, Restitution Order at Docket No. 33, Judgment at Docket No. 34, Second Amended Consent Order of Forfeiture at Docket No. 38); and
 - e. **Adley Abdulwahab**, Case No. 3:10 cr 248 (E.D. Va.) (Indictment at Docket No. 3, Superseding Indictment at Docket No. 140, Memorandum Opinion regarding motions for acquittal and new trial at Docket No. 352, Jury Verdict at Docket No. 262, Order of Forfeiture at Docket No. 361, Restitution Order at Docket No. 382, Judgment at Docket No. 386).
- E. Notice; Transmittal and Mailing of Materials.

(1) The Chapter 11 Trustee provided to all known holders of Claims and Equity Interests due, adequate and sufficient notice of the Disclosure Statement, the Plan and the Confirmation Hearing, along with the deadlines for voting on and filing objections to the Plan, substantially in accordance with the procedures set forth in the Approval Order, and no other or further notice is or shall be required;

(2) The Chapter 11 Trustee transmitted and served the Disclosure Statement, Plan, Ballots and Approval Order substantially in compliance with the Approval Order and the Bankruptcy Rules, and such transmittal and service were adequate and sufficient and no further

notice is or shall be required. All procedures used to distribute the solicitation packages to the Voting Classes were fair and conducted generally in accordance with the Approval Order, the Bankruptcy Code and the Bankruptcy Rules and all other applicable rules, laws and regulations;

(3) The Chapter 11 Trustee provided adequate and sufficient notice of the Confirmation Hearing and other dates described in the Approval Order and the Plan, all in compliance with the Bankruptcy Rules and the Approval Order, and no other or further notice is or shall be required; and

(4) The filing with the Bankruptcy Court and service of the version of the Plan approved by the Approval Order and the disclosure of any further modifications to the Plan on the record at the Confirmation Hearing constitute due and sufficient notice of the Plan and all modifications thereto.

F. Voting. The Chapter 11 Trustee solicited votes on the Plan after the disclosure of “adequate information” as defined in section 1125 of the Bankruptcy Code. As evidenced by the Voting Agent Declaration, votes to accept the Plan have been solicited and tabulated fairly, in good faith and in a manner consistent with the Approval Order, the Bankruptcy Code and the Bankruptcy Rules.

G. Plan Compliance with Bankruptcy Code (11 U.S.C. § 1129(a)(1)). The Plan complies with the applicable provisions of the Bankruptcy Code. Accordingly, the Plan satisfies section 1129(a)(1) of the Bankruptcy Code.

H. Proper Classification (11 U.S.C. §§ 1122 and 1123(a)(1)). In addition to Administrative Claims and Priority Tax Claims that need not be classified, the Plan classifies three (3) Classes of Claims and Equity Interests. The Claims and Equity Interests placed in each Class are substantially similar to other Claims or Equity Interests, as the case may be, in each

such Class. Valid business, factual and legal reasons exist for separately classifying Secured Claims, Unsecured Claims and Equity Interests under the Plan, the classifications were not done for any improper purpose, and such Classes do not unfairly discriminate between or among holders of Claims or Equity Interests. Accordingly, the Plan satisfies sections 1122 and 1123(a)(1) of the Bankruptcy Code.

I. Specified Unimpaired Classes (11 U.S.C. § 1123(a)(2)). Article II(B) of the Plan specifies that Claims in Class 1 (Secured Claims) are Unimpaired by the Plan. Accordingly, the Plan satisfies section 1123(a)(2) of the Bankruptcy Code.

J. Specified Treatment of Impaired Classes (11 U.S.C. § 1123(a)(3)). Article II(B) of the Plan designates Class 2 (Unsecured Claims) and Class 3 (Equity Interests) as Impaired and specifies treatment of such Classes of Claims and Equity Interests under the Plan. Accordingly, the Plan satisfies section 1123(a)(3) of the Bankruptcy Code.

K. No Discrimination (11 U.S.C. § 1123(a)(4)). The Plan provides for the same treatment for each Claim or Equity Interest in each respective Class, unless the holder of a Claim or Equity Interest has agreed to a less favorable treatment. Accordingly, the Plan satisfies section 1123(a)(4) of the Bankruptcy Code.

L. Implementation of Plan (11 U.S.C. § 1123(a)(5)). The Plan and the various documents and agreements described in the Plan provide adequate and proper means for the Plan's implementation. Specifically, the Chapter 11 Trustee has demonstrated good and adequate cause exists to substantively consolidate the Estates for all purposes under the Plan because, among other reasons, assets of the Estates are hopelessly commingled and cannot be disentangled. Accordingly, the Plan satisfies section 1123(a)(5) of the Bankruptcy Code.

M. Bankruptcy Rule 3016(a). The Plan reflects the date it was filed with the Bankruptcy Court and identifies the Chapter 11 Trustee submitting it as the Plan proponent. Accordingly, the Plan satisfies Bankruptcy Rule 3016(a).

N. Compliance with Bankruptcy Code (11 U.S.C. § 1129(a)(2)). The Chapter 11 Trustee, as the proponent of the Plan, has complied with the applicable provisions of the Bankruptcy Code. Accordingly, the Plan satisfies section 1129(a)(2) of the Bankruptcy Code, as specifically described herein.

O. Plan Proposed in Good Faith (11 U.S.C. § 1129(a)(3)). The Chapter 11 Trustee has proposed the Plan in good faith and not by any means forbidden by law, thereby satisfying section 1129(a)(3) of the Bankruptcy Code. The Chapter 11 Trustee's good faith is evident from the facts and records of these chapter 11 cases, the Disclosure Statement and the hearing thereon, the Marwil Declaration, and the record of the Confirmation Hearing and other proceedings held in these chapter 11 cases. The Plan was proposed with the legitimate and honest purpose of maximizing the value of the Estates and distributing property of the Estates and proceeds of property of the Estates to holders of Claims and Equity Interests in accordance with the priority scheme set forth in the Bankruptcy Code.

P. Payments for Services or Costs and Expenses (11 U.S.C. § 1129(a)(4)). Any payment made or to be made by the Chapter 11 Trustee or the Liquidating Trustee for services or for costs and expenses in or in connection with these chapter 11 cases, or in connection with the Plan and incident to these chapter 11 cases, has been approved by, or is subject to the approval of, the Bankruptcy Court as reasonable. Accordingly, the Plan satisfies section 1129(a)(4) of the Bankruptcy Code.

Q. Acceptance by Certain Classes (11 U.S.C. § 1129(a)(8)). Class 1 is Unimpaired and conclusively presumed to accept the Plan. Class 2 voted to accept the Plan in accordance with section 1126(c) of the Bankruptcy Code. Class 3 is not entitled to receive or retain any property under the Plan and, therefore, is deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Although section 1129(a)(8) of the Bankruptcy Code has not been satisfied with respect to Class 3, the Plan is confirmable because the Plan does not discriminate unfairly and is fair and equitable with respect to Class 3. Accordingly, the Plan satisfies section 1129(b) of the Bankruptcy Code with respect to Class 3.

R. Treatment of Administrative and Priority Tax Claims (11 U.S.C. § 1129(a)(9)). The treatment of Administrative Claims pursuant to Article III(A) of the Plan satisfies the requirements of section 1129(a)(9)(A) of the Bankruptcy Code. The treatment of Priority Tax Claims pursuant to Article III(B) of the Plan satisfies the requirements of section 1129(a)(9)(C) of the Bankruptcy Code. Accordingly, the Plan satisfies the requirements of section 1129(a)(9) of the Bankruptcy Code.

S. Acceptance by Impaired Classes (11 U.S.C. § 1129(a)(10)). Class 2 is an Impaired Class that voted to accept the Plan, without including any acceptance of the Plan by any insider. As such, there is one Class of Claims against the Debtors that is Impaired under the Plan and has accepted the Plan, determined without including any acceptance of the Plan by any insider. Accordingly, the Plan satisfies the requirements of section 1129(a)(10) of the Bankruptcy Code.

T. No Unfair Discrimination; Fair and Equitable (11 U.S.C. § 1129(b)). The Plan does not discriminate unfairly and is fair and equitable with respect to Class 3, as required by section 1129(b) of the Bankruptcy Code. Thus, the Plan may be confirmed notwithstanding the

Chapter 11 Trustee's failure to satisfy section 1129(a)(8) of the Bankruptcy Code. Upon confirmation and the occurrence of the Effective Date, the Plan shall be binding upon the members of all Classes, including those of Class 3.

U. The Plan is Fair and Equitable. The Plan is fair and equitable with respect to Equity Interests in Class 3 in that no holder of any Claim or Equity Interest that is junior to the Equity Interests in such Class will receive or retain any property on account of such Equity Interests. Therefore, the Plan satisfies section 1129(b) of the Bankruptcy Code.

V. Good Faith Solicitation (11 U.S.C. § 1125(e)). Based on the record before the Bankruptcy Court in the Chapter 11 Cases, the Exculpated Parties have acted in "good faith" within the meaning of section 1125(e) of the Bankruptcy Code and in compliance with the applicable provisions of the Bankruptcy Code and Bankruptcy Rules in connection with all of their respective activities relating to the solicitation of acceptances to the Plan and their participation in the activities described in section 1125 of the Bankruptcy Code. Accordingly, the Exculpated Parties referenced in Section X(B) of the Plan are entitled to the protections afforded by section 1125(e) of the Bankruptcy Code and the exculpation provisions set forth in Section X(B) of the Plan.

W. Satisfaction of Confirmation Requirements. Based upon the foregoing, the Plan satisfies the requirements for Confirmation set forth in section 1129 of the Bankruptcy Code.

DECREES

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED

THAT:

1. Confirmation. The Plan is approved and confirmed under section 1129 of the Bankruptcy Code.

2. Objections. All objections to the Plan or to Confirmation of the Plan that have not been withdrawn or deemed to be withdrawn at the Confirmation Hearing, waived or settled, and all reservations of rights pertaining to Confirmation of the Plan, are overruled on the merits.

3. Substantive Consolidation of the Estates. As of the Effective Date, each of the Estates shall be substantively consolidated for all purposes into the Estate of Debtor Life Fund 5.1, LLC. Captions in Filings made after the Effective Date may identify the Debtors as “Substantively Consolidated Debtors”. As soon as practicable following the Effective Date, the Chapter 11 Trustee, the Liquidating Trustee, and the Clerk of the Court shall take all steps necessary to close the Chapter 11 Cases, other than the Chapter 11 Case of Life Fund 5.1, LLC, which shall remain open until closed in accordance with the terms of the Plan.

4. Payment of Statutory Fees. All fees payable by any Debtor or its Estate pursuant to Article 1930 of title 28 of the United States Code, as determined by the Bankruptcy Court at a hearing pursuant to section 1128 of the Bankruptcy Code if necessary, shall be paid prior to the closing of such entity’s Chapter 11 Case on the earlier of when due or the date of entry of a Final Decree as to that case.

5. Liquidating Trust Agreement. The form of Liquidating Trust Agreement attached as **Exhibit B** to the Plan is approved and the Chapter 11 Trustee is authorized to execute, deliver and perform under the Liquidating Trust Agreement. Without further order or authorization of the Bankruptcy Court, the Chapter 11 Trustee is authorized to make to the Liquidating Trust Agreement non-material modifications that are not inconsistent with the Plan. Once finalized and executed, the Liquidating Trust Agreement shall constitute a legal, valid, binding and authorized obligation of the substantively consolidated Estates, enforceable in accordance with its terms.

6. Formation of Liquidating Trust and Liquidating Trust Creditor Panel. The Liquidating Trust and the Liquidating Trust Creditor Panel shall be formed as set forth in the Liquidating Trust Agreement. The Notice of Effective Date shall identify each initial member of the Liquidating Trust Creditor Panel, as determined by the applicable provisions of the Liquidating Trust Agreement.

7. Appointment of Liquidating Trustee. Upon the occurrence of the Effective Date, Jeff Marwil shall be the Liquidating Trustee. Subsequent to the Effective Date, and until further notice, service may be made on the Liquidating Trustee by delivery via first class U.S. mail, postage prepaid, to either of:

PROSKAUER ROSE LLP
Attn: Jeremy T. Stillings
70 W. Madison St.
Suite 3800
Chicago, IL 60602
Phone: (312) 962-3550
Facsimile: (312) 962-3551

Jeff Marwil
Life Funds Liquidating Trustee
70 W. Madison St.
Suite 3800
Chicago, IL 60602

8. Termination of the Chapter 11 Trustee. On the Effective Date, the authority, power and incumbency of the Chapter 11 Trustee and Professionals retained by the Chapter 11 Trustee shall be terminated, other than as necessary to satisfy any obligations arising under or in connection with the implementation or effectiveness of the Plan and with respect to applications Filed or to be Filed pursuant to sections 330 and 331 of the Bankruptcy Code.

9. Transfer of Property Estates to Liquidating Trust. Pursuant to sections 1141(b) and (c) of the Bankruptcy Code and the terms of the Plan and the Liquidating Trust Agreement, all Property of each of the Estates as of the Effective Date shall automatically vest in the Liquidating Trust as set forth in Article IV of the Plan free and clear of all liens, charges, Claims, encumbrances and other interests, except as expressly provided in the Plan, the Liquidating Trust

Agreement, or this Confirmation Order. Such vesting does not constitute a voidable transfer under the Bankruptcy Code or applicable nonbankruptcy law.

10. Transfer of Causes of Action to Liquidating Trust. Except as otherwise provided in the Plan, all Causes of Action shall automatically vest in the Liquidating Trust as of the Effective Date as set forth in Article IV of the Plan. Pursuant to section 1123(b)(3) of the Bankruptcy Code and Article VII(B) of the Plan, the Liquidating Trustee (as representatives of the Estates) will retain and have the exclusive right to enforce and prosecute such Causes of Action against any Entity.

11. Preservation of Causes of Action. Except to the extent that any Claim is Allowed during the Chapter 11 Cases or expressly by the Plan, nothing, including, but not limited to, the failure of the Chapter 11 Trustee or the Liquidating Trustee to object to a Claim or Equity Interest for any reason, shall affect, prejudice, diminish or impair the rights and legal and equitable defenses of the Estates, the Chapter 11 Trustee, the Liquidating Trust or the Liquidating Trustee with respect to any Claim or Equity Interest, including, but not limited to, all rights of the Estates, the Chapter 11 Trustee or the Liquidating Trustee to contest or defend themselves against such Claims or Equity Interests in any lawful manner or forum when and if such Claim or Equity Interest is sought to be enforced by the holder thereof.

12. Section 1146 Exemption. To the fullest extent permitted under section 1146(a) of the Bankruptcy Code, the issuance, transfer or exchange of any security under the Plan (including beneficial or other interests in the Liquidating Trust), if any, or the execution, delivery or recording of an instrument of transfer under or in connection with the Plan, or the transfer or sale of any real or other Property of the Debtors, the Estates or the Liquidating Trust under or in connection with the Plan, shall not be taxed under any state or local law imposing a stamp tax,

transfer tax or similar tax or fee. Each recorder of deeds or similar official for any county, city or governmental unit in which any instrument hereunder is to be recorded is ordered and directed to accept such instrument without requiring the payment of any documentary stamp tax, deed stamps, stamp tax, transfer tax, mortgage recording tax, intangible tax or similar tax.

13. Operation of Liquidating Trust. The Liquidating Trustee may operate the Liquidating Trust, including by paying Liquidating Trust Expenses with assets of the Liquidating Trust in accordance with the Liquidating Trust Agreement, without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules and in all respects as if there were no pending cases under any chapter or provision of the Bankruptcy Code, other than as specifically set forth in this Confirmation Order or the Liquidating Trust Agreement.

14. Abandonment of Property and Destruction of Records. Other than as set forth in the Liquidating Trust Agreement, without further order of the Bankruptcy Court, the Liquidating Trustee may: (a) in his sole and absolute discretion, retain or destroy documents, files and records of the Estates; and (b) abandon property that he deems burdensome or of immaterial value to the Estates or the Liquidating Trust.

15. Action Authorized. The entry of this Confirmation Order authorizes the Chapter 11 Trustee to take or to cause to be taken all corporate and other actions necessary or appropriate to consummate and implement the provisions of the Plan prior to, on and after the Effective Date without further application to or order of the Bankruptcy Court, and, other than actions that require additional approval under the express terms of the Plan or the Liquidating Trust Agreement, all such actions taken or caused to be taken shall be deemed to have been authorized

and approved by the Bankruptcy Court by this Confirmation Order, including, without limitation, any actions to transfer property of the Estates to the Liquidating Trust as set forth in the Plan.

16. Distributions Under the Plan. All distributions under the Plan shall be made in accordance with Article V of the Plan.

17. Disputed Claims. The provisions of Article VI of the Plan, including, without limitation, the provisions governing procedures for resolving Disputed Claims, are fair and reasonable and are approved.

18. Approval of Assumption or Rejection of Executory Contracts. Entry of this Confirmation Order shall, subject only to the occurrence of the Effective Date, constitute the approval, pursuant to sections 365(a) and 1123(b)(2) of the Bankruptcy Code, of the rejection of all executory contracts and unexpired leases not previously assumed or rejected by Final Order.

19. Rejection Claims and Bar Date. Claims arising out of the rejection of any executory contract or unexpired lease pursuant to Article VIII(A) of the Plan must be Filed with the Bankruptcy Court and served on the Liquidating Trustee no later than thirty (30) days after the Effective Date. Any such claim not filed within such time period shall be forever barred and shall not be enforceable against the Debtors, the Estates, the Chapter 11 Trustee, the Liquidating Trustee, the Liquidating Trust, or their successors or assigns.

20. Administrative Claims Bar Date. All requests for payment of an Administrative Claim must be Filed and served on counsel for the Liquidating Trustee no later than twenty-eight (28) days after the Effective Date (the "Administrative Claims Bar Date"). An Administrative Claim with respect to which a request for payment is required and has been properly filed pursuant to Article II of the Plan shall become an Allowed Administrative Claim only to the extent Allowed by a Final Order. Notwithstanding the foregoing, no request for payment of an

Administrative Claim need be filed with respect to an Administrative Claim which has previously been authorized by Final Order of this Court.

21. Settlement and Compromise. Pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the Distributions and other benefits provided pursuant to the Plan, the provisions of the Plan shall constitute a good faith compromise of all Claims and Equity Interests. The entry of this Confirmation Order constitutes the Bankruptcy Court's approval of the compromise or settlement of all Claims and Equity Interests, as well as a finding by the Bankruptcy Court that such compromise or settlement is fair, equitable, reasonable and in the best interests of the Estates and holders of Claims and Equity Interests.

22. Injunction. Except as otherwise expressly provided for in the Plan or this Confirmation Order and to the fullest extent authorized or provided by the Bankruptcy Code, including sections 524 and 1141 thereof, the entry of this Confirmation Order shall, provided that the Effective Date occurs, permanently enjoin all Persons who have held, hold, or may hold Equity Interests or Claims from taking any of the following actions (other than actions to enforce any rights or obligations under the Plan, including, without limitation, rights or obligations arising under the Trust Agreement): (i) commencing, conducting, or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against or affecting the Estates, Chapter 11 Trustee, the Liquidating Trust, the Liquidating Trustee, or any of their respective Representatives or property; (ii) enforcing, levying, attaching (including, without limitation, any pre-judgment attachment), collecting or otherwise recovering by any manner or means, whether directly or indirectly, any judgment, award, decree or order against the Estates, the Chapter 11 Trustee, the Liquidating Trust, the Liquidating Trustee, or any of

their respective Representatives or property; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against the Estates, the Chapter 11 Trustee, the Liquidating Trust, the Liquidating Trustee, or any of their Representatives or property; (iv) asserting any right of setoff, directly or indirectly, against any obligation due the Estates, the Chapter 11 Trustee, the Liquidating Trust, the Liquidating Trustee, or any of their property, except as contemplated or allowed by the Plan or this Confirmation Order; (v) acting or proceeding in any manner, in any place whatsoever, that does not conform to or comply with the provisions of the Plan; (vi) pursuing, prosecuting, or recovering proceeds on account of my claims belonging to transferred to, or conferred upon the Liquidating Trust (or which will belong to, be transferred to, or conferred upon the Liquidating Trust on the Effective Date); and (vii) prosecuting or otherwise asserting any right, claim, or cause of action released pursuant to the Plan.

23. Term of Injunction or Stays. Unless otherwise provided herein or in the Plan, all injunctions or stays provided for in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the Chapter 11 Cases are closed.

24. Exculpation. The Exculpated Parties and any property of the Exculpated Parties will not have or incur any liability to any Person for any act taken or omission occurring on or after the Petition Date or for any and all claims and causes of action arising on or after the Petition Date, in connection with or related to the Estates or the Liquidating Trust, including, but not limited to, (i) the commencement and administration of the Chapter 11 Cases, (ii) the operation of the business of the Debtors or administration of the Estates during the pendency of the Chapter 11 Cases, including, but not limited to, the sale of Policies or other assets of the

Estates, (iii) formulating, negotiating, preparing, disseminating, soliciting, implementing, administering, confirming or consummating the Plan, the Disclosure Statement, Liquidating Trust Agreement, or any other contract, instrument, release or other agreement or document created or entered into in connection with the Plan or any other post petition act taken or omitted to be taken in connection with the administration of the Estates; (iv) submission of and statements made in, the Disclosure Statement or any contract, instrument, release or other agreement or document entered into, or any action taken or omitted to be taken in connection with the Plan; or (v) any Distributions made pursuant to the Plan, except for acts constituting willful misconduct, gross negligence, or fraud and in all respects such parties shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under the Plan.

25. Effects of Confirmation; Immediate Effectiveness; Successors and Assigns. The stay provided by Bankruptcy Rule 3020(e) shall not apply to this Confirmation Order. Immediately upon occurrence of the Effective Date, this Confirmation Order and the terms of the Plan shall be deemed binding upon: (a) the Debtors; (b) the Liquidating Trustee; (c) all holders of Claims and Equity Interests, whether or not Impaired under the Plan and whether or not, if Impaired, such holders accepted the Plan; (d) any other party in interest in the Chapter 11 Cases; (e) any Person making an appearance in the Chapter 11 Cases; and (f) each of the foregoing's respective heirs, successors, assigns, agents, attorneys, affiliates and beneficiaries.

26. Enforceability of Plan Documents. Pursuant to sections 1123(a) and 1142(a) of the Bankruptcy Code and the provisions of this Confirmation Order, the Plan, and, subject to their execution, all Plan-related documents, shall apply and be enforceable notwithstanding any otherwise applicable nonbankruptcy law.

27. Notice of Entry of Confirmation Order and Effective Date. Pursuant to Bankruptcy Rules 2002(f)(7), 2002(k) and 3020(c), the Chapter 11 Trustee or the Liquidating Trustee shall file and serve notice of entry of this Confirmation Order and occurrence of the Effective Date (the “Notice of Confirmation”) on all holders of Claims and Equity Interests, the United States Trustee for the Northern District of Illinois, Eastern Division, and other parties in interest by causing the Notice of Confirmation to be delivered to such parties either via the Bankruptcy Court’s ECF system or by first-class mail, postage prepaid, within ten business days after the Effective Date. The Notice of Confirmation shall also be published on the Estates’ case website at www.lifefundtrustee.com. Such notice is adequate under the particular circumstances and no other or further notice is necessary. The Notice of Confirmation also shall serve as the notice of the Administrative Claims Bar Date and as the notice of the Effective Date.

28. References to Plan Provisions. The failure to include or specifically describe or reference any particular provision of the Plan in this Confirmation Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Bankruptcy Court that the Plan be approved and confirmed in its entirety.

29. Findings of Fact. The determinations, findings, judgments, decrees and orders set forth and incorporated herein constitute the Bankruptcy Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. Each finding of fact set forth or incorporated herein, to the extent it is or may be deemed a conclusion of law, shall also constitute a conclusion of law. Each conclusion of law set forth or incorporated herein, to the extent it is or may be deemed a finding of fact, shall also constitute a finding of fact.

30. Conflicts Between Confirmation Order and Plan. The provisions of the Plan and of this Confirmation Order shall be construed in a manner consistent with each other so as to effect the purposes of each; provided, however, that if there is determined to be any inconsistency between any Plan provision and any provision of this Confirmation Order that cannot be so reconciled, then, solely to the extent of such inconsistency, the provisions of this Confirmation Order shall govern and any such provision of this Confirmation Order shall be deemed a modification of the Plan and shall control and take precedence.

31. Modification of Plan. Subject to the limitations contained in the Plan, the Liquidating Trustee may, upon order of the Bankruptcy Court, amend or modify the Plan, in accordance with section 1127(b) of the Bankruptcy Code, or remedy any defect or omission or reconcile any inconsistency in the Plan in such manner as may be necessary to carry out the purpose and intent of the Plan.

32. Separate Confirmation Orders. This Confirmation Order is and shall be deemed to be a separate Confirmation Order with respect to each of the Debtors in each Debtor's separate Chapter 11 Case. The Clerk of Court is directed to file and docket this Confirmation Order in each Debtor's Chapter 11 Case.

Dated: _____
Chicago, IL

Enter:

By: /s/ _____
UNITED STATES BANKRUPTCY JUDGE

Order Prepared By:
Jeremy T. Stillings (ARDC# 06279868)
PROSKAUER ROSE LLP
70 West Madison, Suite 3800
Chicago, Illinois 60602-4342
(312) 962-3550
(312) 962-3551 (Fax)

Counsel to the Chapter 11 Trustee

Exhibit A

Plan

Attached hereto